PRODUCT LIABILITY/Medical Malpractice Reform Opt-Out Options

SUBJECT: Product Liability Fairness Act... H.R. 956. Gorton motion to table the Simon/Wellstone amendment No. 614 to the McConnell amendment No. 603 to the Gorton substitute amendment No. 596.

ACTION: MOTION TO TABLE AGREED TO, 51-49

SYNOPSIS: As passed by the House, H.R. 956, the Product Liability Fairness Act, will establish uniform Federal and State civil litigation standards for product liability cases and other civil cases, including medical malpractice actions.

The Gorton substitute amendment would apply only to Federal and State civil product liability cases. It would abolish the doctrine of joint liability for noneconomic damages, would create a consistent standard for the award of punitive damages, and would limit punitive damage awards.

The McConnell amendment, as amended, would reform Federal and State medical malpractice laws by eliminating joint liability for noneconomic and punitive damages, capping punitive damage awards at 2 times the sum of economic and noneconomic losses (see vote No. 139), creating a 2-year statute of limitations starting from the time of discovery of an injury, allowing for periodic payment of awards over \$100,000, requiring the reduction of awards by the amount of compensation received from collateral sources, limiting attorney contingency fees to of the first \$150,000 recovered and of any additional amount recovered, and encouraging States to adopt alternative dispute resolution mechanisms.

The Simon/Wellstone amendment would provide that a State could adopt a law to waive the application of the reforms in the McConnell amendment to legal actions taken by its residents against other of its residents. Also, two or more States could enter into agreements to waive the application of provisions of the McConnell amendment to legal actions between their citizens. For purposes of this amendment, a corporation would be deemed a citizen of its State of incorporation and of its principal place of business. (This proposal was originally advanced in the Labor Committee by Senator Abraham).

Debate was limited by unanimous consent. Following debate, Senator Gorton moved to table the Simon/Wellstone amendment. Generally, those favoring the motion to table opposed the amendment; those opposing the motion to table favored the amendment.

(See other side)

YEAS (51)				NAYS (49)			NOT VOTING (0)	
Republicans Democrats		Republicans	Republicans Democrats		Republicans Democrats			
	(45 or 83%) (6 or 13%)		(9 or 17%)	(40 or 87%)		(0)	(0)	
Ashcroft Bennett Bond Brown Burns Campbell Chafee Coats Cochran Coverdell Craig Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg Hatch Hatfield	Helms Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Pressler Roth Santorum Smith Snowe Stevens Thomas Thurmond Warner	Dodd Exon Lautenberg Lieberman Robb Rockefeller	Abraham Cohen D'Amato DeWine Packwood Shelby Simpson Specter Thompson	Akaka Baucus Biden Bingaman Boxer Bradley Breaux Bryan Bumpers Byrd Conrad Daschle Dorgan Feingold Feinstein Ford Glenn Graham Harkin Heflin	Hollings Inouye Johnston Kennedy Kerrey Kerry Kohl Leahy Levin Mikulski Moseley-Braun Moynihan Murray Nunn Pell Pryor Reid Sarbanes Simon Wellstone	EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	ily Absent nced Yea nced Nay Yea	

VOTE NO. 142 MAY 2, 1995

No arguments were expressed in favor of the motion to table.

Those opposing the motion to table contended:

This amendment, though proposed by Senator Simon, is word-for-word the amendment that was offered by Senator Abraham in the Labor Committee. That amendment was adopted on a bipartisan vote. We hope that it will have a similar fate before the full Senate. The premise of the amendment is very logical. If medical malpractice cases involve citizens of different States, it is reasonable to impose Federal tort standards. If a State, for intrastate disputes, wishes to deviate from those standards, it should have that option because those disputes do not involve citizens of other States. Similarly, if two States voluntarily agree to establish separate standards for medical malpractice cases involving their citizens, they should have that option. Tort laws of one State should not infringe on the sovereign rights of another. The Abraham amendment would not violate this principle. It would allow States to retain any tort laws they wished as long as they did not apply to the citizens of other States against the wishes of those other States. This amendment is meritorious, and we therefore urge our colleagues to vote against the motion to table it.